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ATLANTIC COUNTY LAND USE ISSUES

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Coastal Zone  
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ATLANTIC COUNTY LAND USE ISSUES

COASTAL ZONE  
MANAGEMENT  
OFFICE

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## ATLANTIC COUNTY LAND USE ISSUES

### 1. Economic and Residential Growth

#### Issue -

The development of Atlantic County has occurred along its most important natural resources -- the ocean beaches. At present, the barrier beach communities are developed to the point where they contain approximately 44 percent of the County's population in less than four percent of the County's land area. The result of this saturation has been an overflow to the suburban areas of the mainland communities. This overflow, coupled with in-migration, has caused population increases in the suburban and middle rural areas. The suburban and parts of the middle rural areas will continue to experience growth pressure because of their close proximity to the ocean beaches and to the major transportation routes. However, within the near future, the possibilities of rapid population growth may be limited due to lack of industrial and manufacturing activity.

#### Discussion and Analysis -

##### A. Population Growth

Atlantic County, New Jersey's third largest county, has a total land area of approximately 361,952 acres, 77 percent of which is vacant or agricultural land.<sup>1</sup> Despite the substantial areas of vacant land, overall population growth has been slow. Between 1960 and 1970, the County's population increased by 8.8 percent, from 160,880 to 175,043 persons. This rate of growth is considered the third lowest among New Jersey's 21 counties.

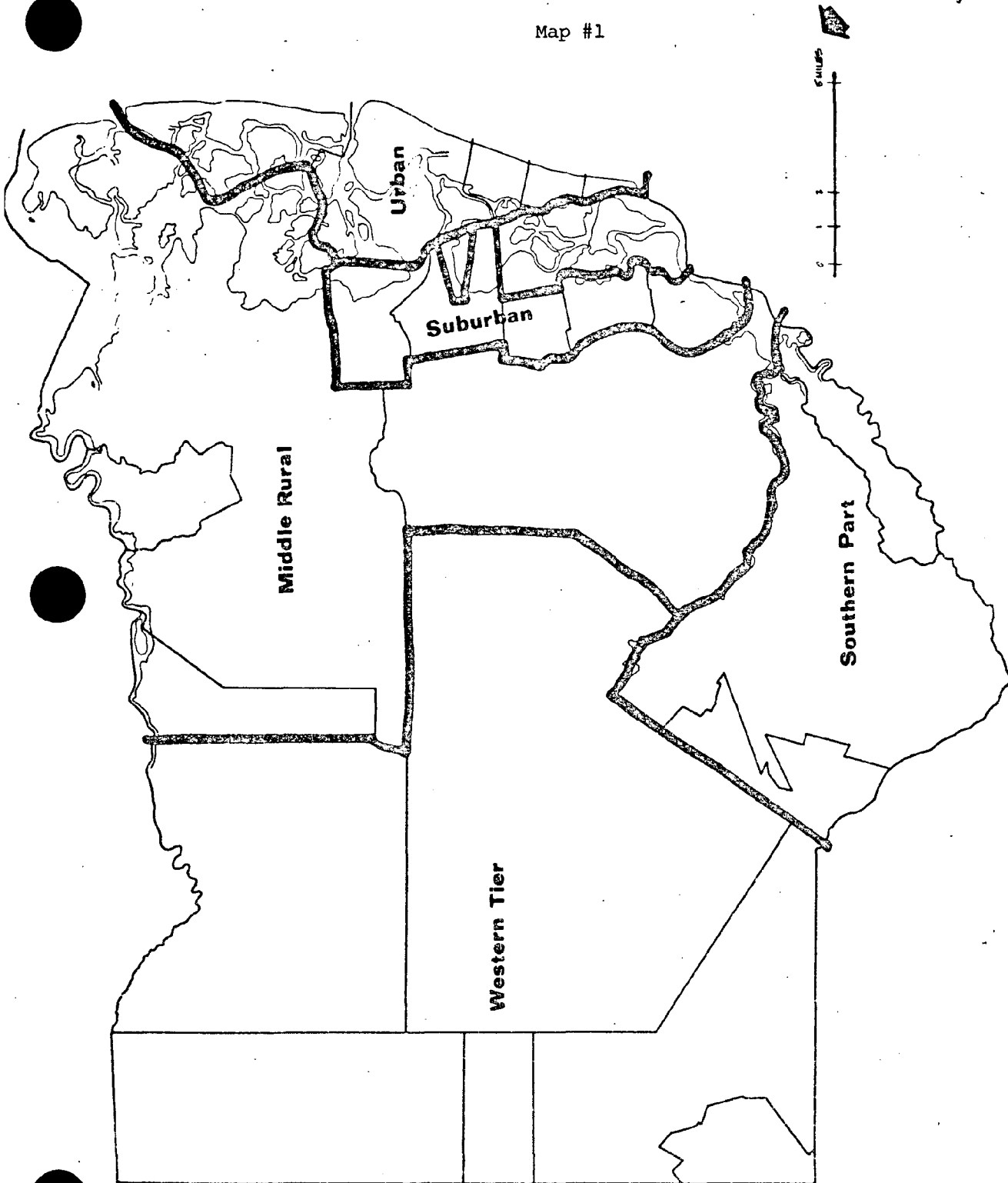
For planning purposes the County is divided into five areas, consisting of the Urban, Suburban, Middle Rural, Southern and Western Tier communities (see Map #1). Between 1960 and 1970, these areas have exhibited varied trends in population growth ranging from substantial increases to population losses (see Table #1).

The most pronounced area of growth occurred in the Suburban and Middle Rural Areas which lie in the North-South corridor served by U.S. Route 9 and the Garden State Parkway. The Suburban communities, consisting of Absecon, Linwood, Northfield, Pleasantville and Somers Point increased their population from 33,692 to 42,825 during the 1960-1970 period. The Middle Rural Area, consisting of Egg Harbor City, Egg Harbor Township, Galloway and Port Republic also experienced a population increase, from 16,204 to 23,048 persons.<sup>2</sup>

The Southern Section of the County, composed of Corbin City, Estell Manor and Weymouth, have had a negligible population increase. Between 1960 and 1970, the combined population of these three municipalities increased from 1545 to 1795 persons.<sup>3</sup>

A modest population increase has occurred in the Western Tier communities of Buena, Buena Vista, Folsom, Hamilton, Hammonton and Mullica Township. The population within this area rose from 26,455 to 30,589 persons during the 1960 - 1970 period.<sup>4</sup> The increase is partially attributed to the influence of the Atlantic City Expressway and its interconnection to the North-South U.S. 206 - N.J. 54, and the East-West U.S. Route 30 and Route 322. The original expectation that the Expressway, with a direct access to the Philadelphia Metropolitan Area, would exert a stronger influence in the growth and development of the County has not come to fruition. A possible reason for the modest growth is the fact that substantial areas of vacant lands are in the process of being developed in Camden,

Map #1



COUNTY PLANNING AREAS

COUNTY PLANNING AREAS

Source: Edward and Kelcey, Inc.  
Open Space Plan and Program - Atlantic County - May, 1972.

-4-  
Table 1

POPULATION TRENDS

1960 - 1970

	<u>1960</u>		<u>1970</u>		<u>%</u> Change 1960-1970
	<u>No.</u>	<u>% of County</u>	<u>No.</u>	<u>% of County</u>	
<u>Urban Area</u>	<u>82984</u>	<u>51.6</u>	<u>76786</u>	<u>43.9</u>	<u>(7.4)</u>
Atlantic City	59544	37.0	47859	27.3	(19.6)
Brigantine	4201	2.6	6741	3.9	60.5
Longport	1077	0.7	1225	0.7	13.7
Margate	9474	5.9	10576	6.0	11.6
Ventnor	8688	5.4	10385	6.0	19.5
<u>Suburban Area</u>	<u>33592</u>	<u>20.9</u>	<u>42825</u>	<u>24.5</u>	<u>27.1</u>
Absecon	4320	2.7	6094	3.5	41.1
Linwood	3847	2.4	6159	3.5	60.1
Northfield	5849	3.6	8875	5.1	51.7
Pleasantville	15172	9.4	13778	7.9	(9.2)
Somers Point	4504	2.8	7919	4.5	75.8
<u>Middle Rural Area</u>	<u>16204</u>	<u>10.1</u>	<u>23048</u>	<u>13.2</u>	<u>42.2</u>
Egg Harbor City	4416	2.7	4304	2.5	(2.5)
Egg Harbor Twp.	5593	3.5	9882	5.6	76.7
Galloway	5634	3.5	8276	4.7	46.9
Port Republic	561	0.4	586	0.4	4.5
<u>Southern Part</u>	<u>1545</u>	<u>1.0</u>	<u>1795</u>	<u>1.0</u>	<u>16.1</u>
Corbin City	271	0.2	258	0.1	(4.8)
Estell Manor	496	0.3	539	0.3	8.7
Weymouth	778	0.5	998	0.6	28.3
<u>Western Tier</u>	<u>26455</u>	<u>16.4</u>	<u>30589</u>	<u>17.4</u>	<u>15.6</u>
Buena	3243	2.0	3283	1.9	1.2
Buena Vista	3915	2.4	4239	2.4	8.3
Folsom	482	0.3	1767	1.0	266.6
Hamilton	6017	3.7	6445	3.7	7.1
Hammonton	9854	6.1	11464	6.5	16.3
Mullica Twp.	2944	1.9	3391	1.9	15.2
<u>Total County</u>	<u>160880</u>	<u>100.0</u>	<u>175043</u>	<u>100.0</u>	<u>8.8</u>

(10.0) - Loss

Source: Edward and Kelcey, Inc.  
Open Space Plan and Program - Atlantic County, May, 1972.

Burlington and Gloucester counties all of which are within short commuting distances of Philadelphia.

The Urban Area, consisting of Brigantine, Atlantic City, Longport, Margate and Ventnor, is almost fully developed. These barrier beach communities contain approximately 44 percent of the County's permanent population (1970 Census) in less than four percent of the County's land area. Between 1960 and 1970, the Urban Area experienced a population decline. This was primarily due to a large decrease in Atlantic City's population which was reduced from 59,544 to 47,859 persons.<sup>5</sup> The other communities within this area have had population increases. The possibility of growth in this area might be limited due to the lack of vacant developable land.

#### B. Residential Land Uses

Between 1965 and 1974, the total number of building permits issued in the County was 19,285.<sup>6</sup> Of this total, 9,453 were for single-family dwelling, 898 for two, three and four family units, and 8,103 were for multi-family (five or more) dwelling units. An additional 830 permits were also issued for public housing units.<sup>7</sup> Within the Urban area, the multi-family unit construction is the dominant form of development. As an example, between 1965 and 1974, the number of building permits issued for multi-family units was 4,157, as compared to 1963 single-family permits. The breakdown by municipalities is illustrated as follows:

Urban Area  
Single-Family and Multi-Family  
Building Permits

1965 - 1974<sup>8</sup>

<u>Municipality</u>	<u>Single-Family Units</u>	<u>Multi-Family Units</u>
Atlantic City	127	1,783
Brigantine	992	346
Longport	112	128
Margate	416	600
Ventnor	<u>316</u>	<u>1,300</u>
Totals	1,963	4,157

As the above figures indicate, the trend within the Urban Area is toward the multi-family type of development. Because the Area's proximity to the beaches makes it a desirable location, such form of development will probably continue. The only exception to this pattern has been Brigantine. Although this municipality is within the geographic scope of the Urban Area, its density and land area approximates more closely the Suburban rather than the Urban Zone. However, given its location, Brigantine could come under considerable pressure for multi-family development.

Within the Suburban Area, the single-family construction is the dominant form of development as illustrated in the table below:

Suburban Area  
Single-Family and Multi-Family  
Building Permits

1965 - 1974<sup>9</sup>

<u>Municipality</u>	<u>Single-Family Permits</u>	<u>Multi-Family Permits</u>
Absecon	523	12
Linwood	482	0
Northfield	303	0
Pleasantville	312	112
Somers Point	<u>793</u>	<u>1,565</u>
Total	2,413	1,689



It is of note that almost all of the multi-family units within the Suburban Area were constructed in Somers Point. However, no multi-family building permits were issued in Somers Point after 1972.<sup>10</sup>

Other areas of the County which experienced multi-family development were Hamilton Township with 932 units, Egg Harbor Township with 702 units and Hammonton with 364 units. Within these three municipalities, varied trends are evident; Hamilton has had almost all of the building permits issued during the 1972-74 period; Egg Harbor Township has had a continuous flow of multi-family permits during the 1965-1972 period, except for 1973 and 1974 when no permits for multiple dwelling were issued; and Hammonton had almost all of its multi-family permits issued in 1965 and 1970 exclusive to all other years.<sup>11</sup>

#### C. Industrial, Commercial and Agricultural Uses

As of 1969, all industrial land uses amounted to approximately 2,780 acres of which over 50 percent, or 1,628 acres, are active and inactive gravel pit operations. The greatest concentration of gravel pits is in the Western Tier communities, especially in Buena Vista and Hamilton Township.<sup>12</sup>

Light industrial uses are concentrated in the Western Tier (40%), the Middle Rural (36%), and the Suburban areas (17%). Most of the Suburban areas' light industrial uses are concentrated in Pleasantville. In contrast, the Urban Area and the Southern Section contain less than 6% and 2% of such uses, respectively.<sup>13</sup>

Existing industrial land uses are generally not integrated into planned industrial setting, except for certain areas within Hammonton, Pleasantville, Gallaway and Egg Harbor Township. In many instances, especially within the urbanized areas, they are located within commercial and residential districts, generating a certain degree of incompatibility. For the most part, industrial establishments within the urbanized areas utilized smaller sites, while the converse is true in the rural areas.<sup>14</sup>

The locations of many of the commercial land uses have occurred in a random manner. As of 1969, commercial uses have occupied 4,452 acres, of which approximately 2,823 acres are highway-oriented facilities.<sup>15</sup> Such facilities are distributed at varying levels of intensity, usually on the major traffic arteries and on approaches to the developed portions of the County. In many cases, the highway commercial facilities lack proper access, are sited without proper linkages with existing traffic facilities and do not have the necessary setbacks, sign and lighting controls. The net result of these factors has produced what has been characterized as a "concentration of unplanned commercial uses lineally distributed along the County's road system."<sup>16</sup>

In the western portion of the County, highway commercial uses are less concentrated; however, similar conditions prevail, but to a lesser intensity. As the Western Tier communities begin to develop, highway commercial facilities will continue to expand in a linear fashion, unless the municipalities begin to restrict strip development and plan for commercial shopping areas.

Of the total County land area of 301,952 acres, approximately 41,000 are devoted to agriculture of which 32,000 acres are in croplands and cleared fields, with the remaining 9,000 acres in orchards and other permanent crops.<sup>17</sup>

Agriculture is important to the local economies of the inland communities as an alternative to tourism. Although the number of covered jobs within the agricultural sector of the economy is insignificant, the availability of farm produce undoubtedly affects the Food and Kindred Production sector of the economy which, in the preceeding years, has been the third largest employer within the manufacturing sector.<sup>18</sup>

Most of the agricultural land is concentrated in the Western Tier and Middle Rural communities of Buena and Hamilton-Folsom and Egg Harbor City. Agricultural land most often possesses the qualities which attract development because it is flat and cleared, possesses good internal drainage and can be readily assembled in large tracts. Since the Western Tier section could eventually feel the growth pressure from the Philadelphia-Camden Metropolitan area, much of the existing farm land could be subjected to development.

#### D. Economic Development

The growth of Atlantic County will depend, to a large extent, on the growth and development of its economy and the economies of the adjacent counties. At present, Atlantic County is dependent primarily on the tourist industry which permeates most of the sectors of its economy. Although the resort and convention trade is an important aspect of the employment sectors, it does have a number of drawbacks. Traditionally, it has been an employer of a seasonal labor force where annual wages are generally low.

Manufacturing and heavy industry, which are the mainstays of a labor market, are not predominant in the County. Since 1967, the number of manufacturing jobs has not exhibited any significant change. However, in terms of the percentage of the total number of covered jobs, manufacturing jobs have decreased as illustrated in the table below:

Covered Employment Trends 19  
Annual Averages 1967 - 1973

<u>Year</u>	<u>Total Covered Jobs</u>	<u>Manufacturing Jobs</u>	<u>Percent of Total Covered Employment</u>
1967	42,977	10,579	24.6
1968	43,684	10,969	25.1
1969	-	-	-
1970	47,493	10,295	21.7
1971	46,597	9,504	20.4
1972	50,447	9,854	19.5
1973	52,064	10,228	19.6

During the same period the number of manufacturing/industrial establishments has fluctuated from a low of 200 units to a high of 245.<sup>20</sup> However, the number of jobs did not necessarily increase with the number of employment units, as indicated in the following table:

Number of Manufacturing Units in Atlantic County 1967-1973<sup>21</sup>  
(For the Month of September)

<u>Year</u>	<u>Units</u>	<u>Jobs</u>
1967	205	10,534
1968	200	11,216
1969	240	11,666
1970	245	9,817
1971	239	9,451
1972	228	10,284
1973	225	10,251

In terms of the number of manufacturing units, it is significant to note that in 1959 the number of such units totaled 223,<sup>22</sup> and the total employment within the manufacturing sector amounted to 9,227 persons.<sup>23</sup> Such trends seem to indicate that the pressure for growth and the need for additional land for industrial and manufacturing use is small and, pending some unforeseen events, such uses will not increase significantly.

Atlantic County's share of the manufacturing jobs does not compare favorably to those of the surrounding counties. As the figures below indicate, only Cape May and Ocean Counties have a lesser percentage of manufacturing jobs than Atlantic County.

Distribution of Manufacturing Jobs to Total Covered Employment<sup>24</sup>  
September 1973

<u>Area</u>	<u>Percentage in County</u>
Atlantic County	18.4
Burlington	29.4
Camden	29.3
Gloucester	41.2
Salem	57.2
Cumberland	51.8
Cape May	6.7
Ocean	11.8

Most of the jobs within the County are within the Wholesale-Retail Trade and Small Services and Amusement category. In 1973, these two categories accounted for 31,351 jobs, out of a total of 52,064, or 60% of all covered employment.<sup>25</sup> These trades are heavily affected by the seasonal fluctuation of the resort industry, resulting in high rates of unemployment during the off-season winter months. Such trades are characterized by low wages, generating in turn less purchasing power than the more stable, higher paying manufacturing jobs. As an example, while the 1970 median family income for the State was \$11,407, the income for the County, and Atlantic City in particular, was \$8,775 and \$6,395, respectively.<sup>26</sup>

The income generated by the tourist industry is reflected in the fact that the median family income of Atlantic County residents is lower than the median income of the residents of the surrounding counties.

Income Comparisons by Counties

(1970 Census)

<u>County</u>	<u>Median Income</u>
Atlantic County	\$ 8,775
Burlington	11,353
Camden	10,960
Gloucester	10,620
Salem	10,221
Cumberland	9,529
Cape May	8,292
Ocean	9,246

Again, only Cape May residents have a median income that is lower than that of Atlantic County. A possible explanation is that Cape May, having a lesser percentage of manufacturing jobs than Atlantic County, is dependent on tourism to a greater extent.

Implications -

Because the Urban Area is almost fully developed, future growth is expected to be severely restricted. However, because property in proximity to the beaches is desirable, there could be market pressure to develop the remaining vacant lots, or to redevelop existing low density residential uses for high-rise condominiums and apartments. In areas such as Atlantic City, high-rise structures are generally compatible with existing development, but in the other municipalities, such as Brigantine, high-rise apartments could be out of character with existing low density residential uses. Should the tourist economy of the County change to an industrial orientation, the pressure for high density residential uses would probably increase. With the advent of the off-shore oil drilling, this could become a distinct possibility.

The continuing growth and development of the Suburban Area could adversely affect the marine tidal marshes, unless concrete measures are adopted to safeguard this vital resource. At present, such marshes, or wetlands, comprise over 13 percent of the County's total area (see Map #2). Occupying a broad corridor of bays and meadows between the mainland and the barrier beaches, the wetlands extend for miles upstream along the Great Egg Harbor and Mullica Rivers. They are critical to the production and maintenance of marine life, provide a habitat and feeding grounds for a variety of wildlife and at the same time act as a natural storage basin during periods of flooding.

If the County's growth trends continue to be most pronounced in the North-South corridor served by Route 9 and the Garden State Parkway, the impact on the wetlands will probably be negative unless certain safeguards are instituted.

Littles Beach

Brigantine Beach

Absecon Beach

Tuckahoe R.

Mullica R.

Greensboro R.



TIDAL WETLANDS  
INLAND FLOOD PLAIN

MAJOR ENVIRONMENTAL FEATURES

Source: Edward & Kelsey, Inc.  
Open Space Plan and Program -  
Atlantic County, May 1972.



Although the Wetlands Act of 1970 safeguards this vital resource from adverse development, it does not preclude development completely. The wetlands most susceptible to development are those that adjoin developed areas, those that are located off existing transportation routes and those into which existing utility lines can be easily extended.

The preservation of such wetlands can be partially achieved by an accelerated land acquisition program at the Federal, State and County level. At present, although substantial areas of wetlands are in Federal, State and County ownership, over 28,000 acres are outside such control.<sup>27</sup> However, acquisition alone will not insure the safeguarding of this natural resource. If growth continues within the suburban areas, such facilities as waste disposal treatment plants and storm water sewer systems will have to be improved to reduce pollution levels to acceptable limits. The acceptable limits have already been exceeded by previous development to the extent that shell fishing, once a flourishing commercial activity, has been virtually eliminated due to pollutants emanating from developments bordering the tidal marsh areas. However, as of November of 1974, the Atlantic Sewerage Authority has received approval to proceed with the construction of a secondary sewerage system for the Atlantic Coastal Region which will service the island communities stretching from Brigantine to Longport, and the mainland communities reaching from Port Republic to Somers Point. The overall system consists of a series of pumping stations, interceptors and a regional treatment facility which will discharge the treated water through an outfall and diffuser two miles out into the Atlantic Ocean.



The impact of such a system could have a number of implications for the growth and development of the County. The existence of an improved sewerage system could encourage the growth of industrial and manufacturing facilities which are necessary to stabilize the tourist oriented economic base. Larger manufacturing firms would be encouraged to locate where previously they were discouraged because of inadequate treatment facilities.

With the advent of increased industrial and manufacturing activities, an increase could be expected in the "25 to 54" age group population. This age group category comprises a low percentage of the total population, and it has been felt that its decline was due to lack of employment opportunities within the County.

Population growth should accelerate within the sewerage service area. Depending on the location of the interceptor lines, development pressure could be diverted from the wetlands. Within certain municipalities, such as Atlantic City, multi-family construction would be encouraged to develop.

Although the construction of a new sewerage system should have an impact on industrial and manufacturing growth, it could be argued whether the effects will be immediate or of an intensity to change substantially the County's tourist oriented economic base. The willingness of industrial and manufacturing facilities to locate within the County is not solely dependent on the availability of sewers. Other considerations, such as proximity to market and population centers, transportation facilities, availability of low cost land, labor force characteristics and environmental constraints are also extremely important. To some extent, there are a large number of limitations for industrial activities within the County. For

example, because the area within the sewerage system plan is in close proximity to the wetlands and beaches, the type of industrial facilities that would be acceptable would have to be "clean", from the environmental aspect.

The argument that industrial and manufacturing firms have exhibited a suburban locational pattern would also tend to imply that Atlantic County should increase its share of such facilities. However, this may not be the case because the County is essentially characterized as rural and agricultural, and its geographic location is outside the suburbanization zone of the Philadelphia - Camden urban core.

The possibility of development in the Western Tier communities may also exist in the future. The overspill from the expansion of the Philadelphia-Camden Metropolitan area may eventually reach Atlantic County. The logical locations for growth are along the east-west through routes of the Atlantic City Expressway, U.S. Route 30 and U.S. Route 322, where access to the shore and the Philadelphia-Camden area is readily attained. However, rapid development is not projected for this area in the near future because Camden, Gloucester, and Burlington Counties have substantial vacant land available for development. It is expected that these counties will absorb the expansion from the Camden-Philadelphia urban core for the next 15-20 years before extending into the Western Tier of Atlantic County.<sup>28</sup>

#### Data Gaps -

There are a number of areas where more information would be helpful in order to provide a more comprehensive view of the existing trends and conditions. For example, although the County's economy is tourism oriented, the possibilities of off-shore exploration could reverse the existing economic base, resulting in

substantial changes in land use utilization, growth patterns, and socio-economic compositions. The trends in residential construction could also require further investigation. For example, the number of building permits issued does not indicate whether the units were actually constructed. Furthermore, the "single-family" building permit category does not distinguish between single-family detached and townhouses, the differentiation of which may be of importance. Additional information may also be necessary on the multi-family construction trends to determine the differentiation between rentals and condominiums, the number of newly constructed units that are used on a seasonal rather than a permanent basis, and the socio-economic composition of occupants.

## 2. Social and Economic Problems of Atlantic City

### Issue -

Atlantic City is experiencing a multitude of problems that have normally been associated with many of the urban manufacturing centers of New Jersey. Out-migration of the white-middle class, concentration of the poor, the elderly and the ethnic minorities, a declining tax base, deteriorating neighborhoods and a high level of unemployment are the special concerns of Atlantic City. They are special concerns because the survival of Atlantic City depends on its ability to attract visitors, while the existence of such problems detracts from the City's image as a viable tourist center.

### Discussion and Analysis -

Between 1960 and 1970, Atlantic City experienced a severe population decline. Although a declining population trend of approximately 3.5 percent per decade was evident in the 1930-1960 period, a virtual exodus occurred between 1960 and 1970

when the City's population was reduced by 20 percent from 59,544 to 47,880 persons.<sup>29</sup> This decline is continuing. According to the Population Estimates for New Jersey, July 1, 1974 published by the Department of Labor and Industry, Atlantic City's 1974 population is estimated at 44,495; a loss of over 3,000 residents in a matter of four years.

The causes of urban decline have been well documented. The desire for the suburban way of life, the automobile, the construction of new highways, governmental mortgage subsidies and a host of other factors have had their particular impact; and the impact on Atlantic City has been severe.

The decline in the City's population has been mainly within the white-middle class. In 1960, out of a total population of 59,544 persons, 37,849 were classified as white and 21,695 as non-white. By 1970, out of a total population of 47,859 persons, 26,151 were classified as white, and 21,708 as non-white.<sup>30</sup> As these figures indicate, the white population decreased by over 11,000, while the non-white population remained numerically constant.

The importance of the non-white/white differentiation lies within the correlation of the non-white populus with poverty and unemployment and its socio-economic effects. To some extent, the effects of poverty among ethnic minorities can be demonstrated in income comparisons. For example, while the median family income for Atlantic County and the State in 1970 was \$8,775 and \$11,407, respectively, the median income for the non-white Atlantic City resident was \$5,914. Regardless of race, Atlantic City has a low percentage of high income families. Only 1.5 percent of the families in the City have an income of over \$25,000, while seventy percent have incomes of between \$5,000 and \$10,000 per year.<sup>31</sup>

The age distribution patterns of Atlantic City, in particular, and Atlantic County, in general, indicate a continuing increase in the number of elderly and a decline in the number of young and middle age wage earning adults. Such trends may have a number of social and economic implications for future growth and development of the County.

In comparison to the State, Atlantic County has attained what could be considered as abnormal age distribution patterns. The most evident variation from the Statewide pattern is within "the 65 years and over" category. As of the 1970 Census, the statewide average for this age group was 9.7 percent, as compared to 16.4 percent for Atlantic County. A high concentration of the elderly is found in the barrier beach and suburban communities of Atlantic City (24.5%), Ventnor (21.5%) Margate (16.9%), Longport (29.6%), Pleasantville (13.6%), and Somers Point (18.2%). In contrast, the Western Tier Communities of Hammonton, Folson, Buena Vista, and Buena Borough, which may be experiencing a slight overflow from the Philadelphia - Camden Metropolitan Area, have a "65 years and over" population that is less than the State average of 9.7 percent.<sup>32</sup>

In Atlantic City, the elderly population consists of approximately 12,000 persons. According to the 1970 Census, only two municipalities within the State, having 2,500 or more persons exceed Atlantic City's percentage (24.8%) of elderly to the total population. Whereas one out of ten persons within the State is 65 years and over, in Atlantic City that proportion is one out of every four.

The increase in the number of elderly has been evident during the 1960 - 1970 decade. As an example, in 1960, the number of persons age 60 and over residing in the City numbered 13,081 or 21.9 percent of the total. By 1970, the same age category increased to 15,043 persons. That is, while the population

declined by 11,685 (20%), the number of persons 60 and over increased by 2,000 (13%) to the point where this category composes 31 percent of the City's population.<sup>33</sup>

Coupled with the increase of the elderly, Atlantic City has experienced a decline in the 25 to 54 year old population group. Such a population group is considered important to the economy of an area because it is characterized by prime wage earners and spenders. In 1960, the "25 to 54" population consisted of 21,084 persons or 35% of the total. By 1970, this age bracket decreased numerically to 13,877 persons or 29% of the total population. In comparison, the State average for such age groups is 37.2%.<sup>34</sup>

The economy of Atlantic City is inextricably linked to tourism to the extent that the City can be considered a one industry town. It can be stated that the City's greatest resource, its beaches, which attract hundreds of thousands of visitors each year, may also be the cause of a large number of economic problems.

One of the problems of a tourist economy is the seasonal fluctuation of jobs. Although many industry groups expand and contract during the course of a year, few are subject to the extreme fluctuation of tourism. For example, in 1973, the Small Services and Amusement Industry provided within the County an annual average of 13,639 covered jobs out of 52,004. However, the monthly average of such jobs fluctuated from a low of 10,284 in January to a high of 17,352 in August.<sup>35</sup> The fluctuation of over 6,500 Service and Amusement jobs during the course of a year does not imply that 6,500 County residents lost their means of livelihood. Obviously, many of these positions were summer jobs filled by students from within and outside the County. But it is also obvious that many of the jobs were filled by County residents who were dependent on them for their livelihood.

In terms of the economic impact, the role of the Small Services and Amusement Industry within Atlantic City is of particular importance. In 1973, the number of covered jobs fluctuated between a low of 19,810 in January, to a high of 29,318 in August. Out of the 19,810 January jobs, 7,270 (36.7%) were within the Small Service and Amusement group, and out of the 29,318 August jobs, 12,758 (44%) were in the same category.<sup>36</sup>

The Small Services and Amusement Industry is not the only group to exhibit seasonal fluctuation. The Wholesale and Retail Trade group, which is the second largest employment source in the City, is also responsible for much of the employment instability. In August of 1973, there were 10,101 jobs within the Wholesale-Retail Trade Category. In January, however, the number of jobs within this group totaled 6,431.<sup>37</sup>

In terms of the Major Industry groups, the following table illustrates the job distributions during the months of January and August of 1973.

Covered Jobs in Atlantic City  
~~January and August, 1973~~  
Comparison<sup>38</sup>

<u>Industry Group</u>	<u>January</u>	<u>%</u>	<u>August</u>	<u>%</u>	<u>Numerical Increase</u>
Manufacturing	1,953	9.8	2,016	6.9	63
Wholesale & Retail Trade	6,431	32.5	10,101	34.4	3,670
Transportation	403	2.0	415	1.4	12
Communications & Utilities	1,356	6.8	1,370	4.7	14
Small Services & Amusements	7,270	36.7	12,758	43.5	5,488
Finan., Ins., & Real Estate	1,417	7.2	1,528	5.2	111
Construction Contract	947	4.8	1,072	3.7	127
Mining, Agriculture & Other	33	0.2	168	0.2	25
	19,810	100	29,318	100	9,508

As the above table indicates, the combined figures of the Wholesale-Retail Trade and the Small Services and Amusement Industries accounted for 62.2% of all covered jobs in the City during January of 1973, and for 78% of the jobs in August. In fact, the increase in 9,508 jobs between those two months is explained almost solely by the Wholesale-Retail Trade and the Small Services and Amusement Industry.

The manufacturing industry, which usually is the source of a stable employment base, plays a minor role in the City's economy. Since 1967, the number of manufacturing jobs has been gradually decreasing, as illustrated in the following table:

Covered Manufacturing Jobs in Atlantic City  
for September<sup>39</sup>

<u>Year</u>	<u>Jobs</u>
1967	2,783
1968	2,838
1969	2,734
1970	1,923
1971	2,262
1972	2,268
1973	1,851

The loss of over 900 manufacturing jobs between 1967 and 1973 has been mainly within the Apparel and Needle Production category. In 1967, this manufacturing group offered a monthly average of 1,438 jobs. By 1973, the average number of jobs within this category was reduced to 870.<sup>40</sup> The loss of these types of jobs has a particularly negative social effect, because they are generally filled by unskilled and semi-skilled workers who may have difficulty in obtaining substitute employment.



The convention trade is of importance to the City's economy, because it helps to flatten the cyclical nature of the economy after the summer activities become dormant. To a large extent, the convention trade has a multiplier effect on other sectors of the City's economy such as retail sales and hotel activities.

Between 1959-1968, the number of conventions has increased, as illustrated in the table below:

Conventions Held in Atlantic City  
1959 - 1968<sup>41</sup>

<u>Year</u>	<u>Conventions</u>	<u>Delegates</u>
1959	394	409,544
1960	395	367,066
1961	385	336,987
1962	416	411,055
1963	392	409,298
1964	434	419,039
1965	457	435,146
1966	526	396,360
1967	572	463,568
1968	588	456,133

As the table indicates, although the number of conventions increased, the number of delegates attending has exhibited a slight decline.

Implications -

It becomes apparent that Atlantic City does not possess a mix of industries that can offer it a measure of economic stability. An attempt to reverse the trend of decline within the manufacturing sector may be difficult because the City is to a large extent restricted on the type of manufacturing it can permit within its boundaries. In fact, the City is faced with the dilemma of needing manufacturing activities and at the same time having to exclude certain industries for fear that they could negatively affect the environmental and under-  
mining tourist trade.

Although the City is in need of more manufacturing jobs, the need by itself, obviously, does not attract industry. Basically the City is not in the position of choosing what it needs. Its greatest resources are still the beaches and the hotels, and it must capitalize on the tourist trade with special emphasis on the winter seasons where unemployment is exceeding high. For example, an activity such as gambling, although not necessarily the most suitable for the City, would tend to help flatten the cyclical nature of the economy, increase the convention trade and have a multiplier effect on other sectors of the economy.

Since the beaches, and subsequently tourism, represent the City's greatest asset, it appears reasonable that emphasis should be placed on redeveloping the tourist related recreational activities. However, in concentrating its efforts on the recreational land uses, the City might face significant opposition from various organizations which could justifiably contend that the social needs of the residents in terms of housing, education, and health services far outweigh the need for golf courses, marinas and other tourist related developments.

The continuing out-migration of the middle class from Atlantic City may have a number of social and economic implications. First, the City may continue to lose a measure of economic stability as the more affluent abandon Atlantic City for the suburbs. The money spent in the commercial establishments of the Central Business District will no longer be available. Neighborhoods may continue to deteriorate as the remaining population, consisting of the minorities and the elderly poor, will not have the financial ability to maintain the housing stock to acceptable physical standards. The City's tax base will continue to erode as more and more buildings are abandoned and vandalized. With the continuing out-migration of the middle class and its subsequent effects the image of the City as

a center of tourist and recreational activities may diminish. This in turn will reinforce the existing trends towards decline. As the City's population becomes characterized by an increasing number of the poor and the elderly, the demand for services will increase. However, the City's financial ability to meet such demands may be sorely strained due to an eroding tax base.

The concentration of the elderly poses a number of issues for the City. Because of their limited income, elderly persons are dependent upon a large number of services and facilities, such as public housing, medical services, recreation and public transportation. Their dependency on such public services exceeds that of the younger wage earning group who have the capability of securing many of the services because of higher incomes. The continuing concentration of the elderly may eventually place the municipality in a position where it may be unable to support adequately the services and facilities required by that age group.

In addition, the elderly, because of its limited income and needs, does not have the ability to support large-scale commercial activities. This in turn causes such establishments to locate in areas where personal incomes are higher and spending power is greater. As a result, the municipality will continue to lose ratables which are necessary to support the services required by the elderly.

The trends in the decline within the 25 to 54 years age group is also a negative factor for the economy of the City. One of the reasons given for a decline within this age group is the lack of economic opportunities within the City, where many of the jobs are seasonal and wages are low. In effect, a decision by the young adults to leave the area because of the lack of employment opportunities may cause in turn a decision by the firms not to locate within the area because of a declining labor force.

Data Gaps -

Information concerning the specific problems facing Atlantic County senior citizens would be helpful so that consideration may be given to their particular needs in developing strategies for Coastal Zone Management.

Further information on the existing and proposed economic, physical and social redevelopment plans of Atlantic City are necessary to determine their impact on Coastal Zone Management Programs.

FOOTNOTES

<sup>1</sup>Community Housing and Planning Associates, Existing Land Use Report, October, 1969, p.2.

<sup>2</sup>1970 U.S. Census.

<sup>3</sup>Ibid.

<sup>4</sup>Ibid.

<sup>5</sup>Ibid.

<sup>6</sup>New Jersey Department of Labor and Industry, "New Jersey Residential Building Permits," 1965-1974.

<sup>7</sup>Ibid.

<sup>8</sup>Ibid.

<sup>9</sup>Ibid.

<sup>10</sup>Ibid.

<sup>11</sup>Ibid.

<sup>12</sup>Community Housing and Planning Associates, p.15, op.cit., p. 15.

<sup>13</sup>Ibid., p.21.

<sup>14</sup>Ibid., p.15-16.

<sup>15</sup>Ibid., p.8.

<sup>16</sup>Ibid., p.9.

<sup>17</sup>Ibid., p.2-3.

<sup>18</sup>New Jersey Department of Labor and Industry, "Covered Employment Trends in New Jersey," 1967-1974.

<sup>19</sup>Ibid.

<sup>20</sup>Ibid.

<sup>21</sup>Ibid.

<sup>22</sup>Community Housing and Planning Associates, Economic Base Studies, October, 1969, p.59.

<sup>23</sup>Ibid.

<sup>24</sup>New Jersey Department of Labor and Industry, "Covered Employment Trends in New Jersey," September, 1974.

<sup>25</sup>Ibid.

<sup>26</sup>1970 U.S. Census.

<sup>27</sup>John G. Reutters Associates, Atlantic County Environmental Inventory, April, 1973, p.24.

<sup>28</sup>Community Housing and Planning Associates, Area Evaluation and Regional Study, October, 1969, p.13.

<sup>29</sup>1970 U.S. Census.

<sup>30</sup>Ibid.

<sup>31</sup>Ibid.

<sup>32</sup>Ibid.

<sup>33</sup>Ibid.

<sup>34</sup>Ibid.

<sup>35</sup>New Jersey Department of Labor and Industry, "Covered Employment Trends in New Jersey," 1973.

<sup>36</sup>Ibid.

<sup>37</sup>Ibid.

<sup>38</sup>Ibid.

<sup>39</sup>Ibid., 1967-1973.

<sup>40</sup>Ibid.

<sup>41</sup>Community Housing and Planning Associates, Economic Base Studies, October, 1969, p.110.

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